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*application for admission pro hac vice to be filed

and

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Local Counsel Only

Attorneys for Respondent

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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PROSPECT ENERGY CORPORATION,	:
PROSPECT CAPITAL MANAGEMENT	:
LLC, JOHN F. BARRY, M. GRIER	:
ELIASEK, WALTER PARKER and	:
BART DE BIE,	:
	08-CIV-3721-CM
Petitioners,	:
	ENMON'S ANSWER TO
-against-	PROSPECT'S PETITION TO
	CONFIRM AN ARBITRATION
MICHAEL ENMON,	AWARD
	:
Respondent.	:
-----X	

Enmon's Answer to Prospect's Petition To Confirm an Arbitration Award

Subject to his motion to dismiss for lack of personal jurisdiction, Michael Enmon responds to Prospect Energy Corporation, Prospect Capital Management LLC, John Barry, Grier Eliasek, Walter Parker, and Bart de Bie's (collectively referred to as "Prospect") Petition to

Compel Arbitration as follows:

I.

Defenses

1. Prospect's claims should be dismissed under Rule 12(b)(2) for lack of personal jurisdiction. A more detailed brief explaining the reasons why Prospect's affirmative claims should be dismissed is forthcoming.
2. Enmon also asserts the following affirmative defenses: fraud, unclean hands, waiver, duress, failure to mitigate alleged damages.
3. Enmon also asserts the following defenses with regard to the so-called arbitration agreement including: (a) lack of a contract; (b) lack of definite terms; (c) unconscionability and unenforceability; (d) lack of consideration; and (3) improper use of the judicial process to obtain an injunction. Enmon refers to and incorporates the arguments set forth in his briefing on the same issues to the Second Circuit Court of Appeals. Nothing in this answer constitutes a waiver of those arguments to the Court of Appeals. Finally, Enmon also asserts that the arbitration award should be vacated because the arbitrator was guilty of misconduct and issued an award that over-stepped his authority.

II.

Answer

4. With regard to the allegations in paragraph 1 of Prospect's petition, Enmon admits the first sentence of the allegations, denies the second sentence, and admits the third sentence.
5. Enmon lacks sufficient information to admit or deny paragraphs 2 through 7 of

Prospect's petition.

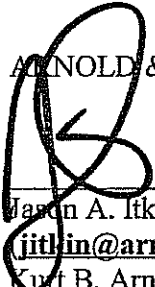
6. Enmon admits paragraph 8 of Prospect's petition.
7. Enmon denies paragraphs 9 and 10 of Prospect's petition.
8. Enmon denies paragraph 11 of Prospect's petition.
9. Enmon denies paragraphs 12 through 17 of Prospect's petition.
10. Enmon admits paragraph 18 of Prospect's petition.
11. Enmon denies paragraphs 19 through 27 of Prospect's petition.
12. Enmon admits paragraph 28 of Prospect's petition.
13. Enmon denies paragraph 29 through 30 of Prospect's petition.
14. Enmon admits paragraphs 31 and 32 of Prospect's petition.
15. Enmon denies paragraphs 33 through 41 of Prospect's petition.

III.

Prayer

Enmon prays that the Court enter a judgment denying Prospect any relief, and grants Enmon all such other and further relief, to which he may show himself entitled.

Dated: May 12, 2008


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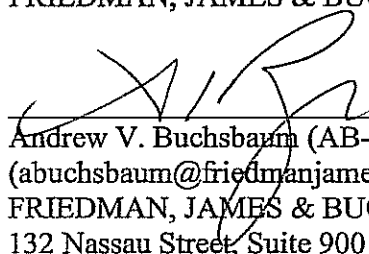
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